

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER** Page 1 of 2  
**DOCKET NO.:** 2007-0482-PWS-E **TCEQ ID:** RN101183465 **CASE NO.:** 33078  
**RESPONDENT NAME:** Forest Water Supply Corporation

<b>ORDER TYPE:</b>		
<input type="checkbox"/> 1660 AGREED ORDER	<input checked="" type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
<b>CASE TYPE:</b>		
<input type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input checked="" type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION

**SITE WHERE VIOLATION(S) OCCURRED:** Forest Water Supply Corporation, located 2.2 miles west of US Highway 69 on the north side of Farm-to-Market Road 1911, Cherokee County

**TYPE OF OPERATION:** Public water supply

**SMALL BUSINESS:** ☐ Yes ☒ No

**OTHER SIGNIFICANT MATTERS:** There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.

**INTERESTED PARTIES:** No one other than the ED and the Respondent has expressed an interest in this matter.

**COMMENTS RECEIVED:** The *Texas Register* comment period expired on August 6, 2007. No comments were received.

**CONTACTS AND MAILING LIST:**  
**TCEQ Attorney/SEP Coordinator:** None  
**TCEQ Enforcement Coordinator:** Ms. Laurie Eaves, Enforcement Division, Enforcement Team , MC 169; Mr. David Van Soest, Enforcement Division, MC 219, (512) 239-0468  
**Respondent:** Ms. Kathy Oliver, President/Registered Agent, Forest Water Supply Corporation, Post Office Box 311, Wells, Texas 75976  
**Respondent's Attorney:** Not represented by counsel on this enforcement matter

**VIOLATION SUMMARY CHART:**

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p><b>Type of Investigation:</b>  <input type="checkbox"/> Complaint  <input type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input checked="" type="checkbox"/> Records Review</p> <p><b>Date(s) of Complaints Relating to this Case:</b> None</p> <p><b>Date of Investigation Relating to this Case:</b> January 7, 2007</p> <p><b>Date of NOV/NOE Relating to this Case:</b>  March 27, 2006; May 19, 2006; July 6, 2006; July 20, 2006; November 10, 2006; January 2, 2007; January 30, 2007 (NOVs)</p> <p><b>Background Facts:</b> This was a records review investigation. Two violations were documented.</p> <p><b>WATER</b></p> <p>1) Failure to comply with the Maximum Contaminant Level ("MCL") of 0.080 milligrams per liter ("mg/L") based on a running annual average for total trihalomethanes ("TTHM"). Specifically, the running annual average for TTHM during the fourth quarter of 2005 and the first, second, third and fourth quarters of 2006 was 0.082 mg/L, 0.100 mg/L, 0.147 mg/L, 0.151 mg/L and 0.126 mg/L, respectively [30 TEX. ADMIN. CODE § 290.113(f)(4) and TEX. HEALTH &amp; SAFETY CODE § 341.0315(c)].</p> <p>2) Failure to comply with the MCL of 0.060 mg/L based on a running annual average for haloacetic acids ("HAA5") during the second and third quarters of 2006. Specifically, the running annual average for HAA5 during the second and third quarter of 2006 was 0.077 mg/L and 0.091 mg/L, respectively [30 TEX. ADMIN. CODE § 290.113(f)(5) and TEX. HEALTH &amp; SAFETY CODE § 341.0315(c)].</p>	<p><b>Total Assessed:</b> \$1,214</p> <p><b>Total Deferred:</b> \$0  <input type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$0</p> <p><b>Total Paid to General Revenue:</b> \$1,214</p> <p><b>Site Compliance History Classification</b>  <input type="checkbox"/> High <input type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Person Compliance History Classification</b>  <input type="checkbox"/> High <input type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Major Source:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 2002</p> <p><b>Findings Orders Justification:</b> The Respondent has seven previous NOVs for the same violation within the prior 5 year period.</p>	<p><b>Ordering Provisions:</b></p> <p>The Order will require the Respondent to:</p> <p>a. Within 365 days after the effective date of this Agreed Order, return to compliance with the running annual average MCL for TTHM and HAA5; and</p> <p>b. Within 380 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision a.</p>



# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision March 19, 2007

**TCEQ**

<b>DATES</b>	<b>Assigned</b>	26-Mar-2007	<b>PCW</b>	27-Mar-2007	<b>Screening</b>	27-Mar-2007	<b>EPA Due</b>	30-Nov-2006
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## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	Forest Water Supply Corporation		
<b>Reg. Ent. Ref. No.</b>	RN101183465		
<b>Facility/Site Region</b>	5-Tyler	<b>Major/Minor Source</b>	Minor

## CASE INFORMATION

Enf./Case ID No.		33078		No. of Violations	2
Docket No.		2007-0482-PWS-E		Order Type	Findings
Media Program(s)		Public Water Supply		Enf. Coordinator	Christopher Miller
Multi-Media				EC's Team	EnforcementTeam 2
Admin. Penalty \$	Limit Minimum	\$50	Maximum	\$1,000	

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** **Subtotal 1** **\$750**

### ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

**Compliance History** **37% Enhancement** **Subtotals 2, 3, & 7** **\$277**

**Notes** Enhancement due to seven previous Notices of Violation ("NOVs") with violations the same as those in the current enforcement action and one NOV with dissimilar violations.

**Culpability** **Yes** **25% Enhancement** **Subtotal 4** **\$187**

**Notes** The Respondent received an alert letter for total trihalomethane exceedances on 9/27/2005 and received three alert letters for haloacetic acids exceedances on 9/27/2005, 4/17/2006 and 5/24/2006.

**Good Faith Effort to Comply** **0% Reduction** **Subtotal 5** **\$0**

	Before NOV	NOV to EDRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	X	(mark with x)

**Notes** The Respondent does not meet the good faith criteria.

**Total EB Amounts** **\$788** **0% Enhancement\*** **Subtotal 6** **\$0**  
**Approx. Cost of Compliance** **\$5,000** **\*Capped at the Total EB \$ Amount**

**SUM OF SUBTOTALS 1-7** **Final Subtotal** **\$1,214**

**OTHER FACTORS AS JUSTICE MAY REQUIRE** **Adjustment** **\$0**

Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

**Notes**

**Final Penalty Amount** **\$1,214**

**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty** **\$1,214**

**DEFERRAL** **0% Reduction** **Adjustment** **\$0**

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

**Notes** No deferral is recommended for Findings Orders.

**PAYABLE PENALTY** **\$1,214**

Screening Date 27-Mar-2007

Docket No. 2007-0482-PWS-E

PCW

Respondent Forest Water Supply Corporation

Policy Revision 2 (September 2002)

Case ID No. 33078

PCW Revision March 19, 2007

Reg. Ent. Reference No. RN101183465

Media [Statute] Public Water Supply

Enf. Coordinator Christopher Miller

## Compliance History Worksheet

## &gt;&gt; Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	7	35%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgments or consent decrees meeting criteria)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 37%

## &gt;&gt; Repeat Violator (Subtotal 3)

N/A

Adjustment Percentage (Subtotal 3) 0%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

N/A

Adjustment Percentage (Subtotal 7) 0%

## &gt;&gt; Compliance History Summary

Compliance  
History  
Notes

Enhancement due to seven previous Notices of Violation ("NOVs") with violations the same as those in the current enforcement action and one NOV with dissimilar violations.

Total Adjustment Percentage (Subtotals 2, 3, &amp; 7) 37%

Screening Date 27-Mar-2007

Docket No. 2007-0482-PWS-E

PCW

Respondent Forest Water Supply Corporation

Policy Revision 2 (September 2002)

Case ID No. 33078

PCW Revision March 19, 2007

Reg. Ent. Reference No. RN101183465

Media [Statute] Public Water Supply

Enf. Coordinator Christopher Miller

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code § 290.113(f)(4) and Tex. Health &amp; Safety Code § 341.0315(c)

Violation Description

Failed to comply with the Maximum Contaminant Level ("MCL") of 0.080 milligrams per liter ("mg/L") based on a running annual average for total trihalomethanes ("TTHM"). Specifically, the running annual average for TTHM during the fourth quarter of 2005 and the first, second, third and fourth quarters of 2006 was 0.082 mg/L, 0.100 mg/L, 0.147 mg/L, 0.151 mg/L and 0.126 mg/L, respectively.

Base Penalty \$1,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		x	
Potential			

Percent 25%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Customers of the water supply have been exposed to significant amounts of pollutants which do not exceed levels that are protective of human health.

Adjustment \$750

\$250

## Violation Events

Number of Violation Events 2

457 Number of violation days

mark only one with an x	daily	
	monthly	
	quarterly	
	semiannual	
	annual	x
	single event	

Violation Base Penalty \$500

Two annual events are recommended.

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$788

Violation Final Penalty Total \$809

This violation Final Assessed Penalty (adjusted for limits) \$809

## Economic Benefit Worksheet

**Respondent:** Forest Water Supply Corporation  
**Case ID No.:** 33078  
**Reg. Ent. Reference No.:** RN101183465  
**Media:** Public Water Supply  
**Violation No.:** 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

### Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$5,000	1-Oct-2005	25-Nov-2008	3.2	\$788	n/a	\$788

Notes for DELAYED costs

Estimated cost to implement an alternative method of disinfection. Date required is the first quarter in which the exceedances were documented. Final date is the estimated date of compliance.

### Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

There are no avoided costs associated with this violation.

Approx. Cost of Compliance

\$5,000

TOTAL

\$788



Screening Date 27-Mar-2007

Docket No. 2007-0482-PWS-E

PCW

Respondent Forest Water Supply Corporation

Policy Revision 2 (September 2002)

Case ID No. 33078

PCW Revision March 19, 2007

Reg. Ent. Reference No. RN101183465

Media [Statute] Public Water Supply

Enf. Coordinator Christopher Miller

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code § 290.113(f)(5) and Tex. Health &amp; Safety Code § 341.0315(c)

Violation Description

Failed to comply with the MCL of 0.060 mg/L based on a running annual average for haloacetic acids ("HAA5") during the second and third quarters of 2006. Specifically, the running annual average for HAA5 during the second and third quarter of 2006 was 0.077 mg/L and 0.091 mg/L, respectively.

Base Penalty \$1,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		x	
Potential			

Percent 25%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Customers of the water supply have been exposed to significant amounts of pollutants which do not exceed levels that are protective of human health.

Adjustment \$750

\$250

## Violation Events

Number of Violation Events 1

365 Number of violation days

mark only one  
with an x

daily	
monthly	
quarterly	
semiannual	
annual	x
single event	

Violation Base Penalty \$250

One annual event is recommended.

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$405

This violation Final Assessed Penalty (adjusted for limits) \$405

## Economic Benefit Worksheet

**Respondent:** Forest Water Supply Corporation  
**Case ID No.:** 33078  
**Reg. Ent. Reference No.:** RN101183465  
**Media:** Public Water Supply  
**Violation No.:** 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
<small>No commas or \$</small>							

### Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

Estimated economic benefit costs are addressed in violation number one.

### Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

There are no avoided costs associated with this violation.

Approx. Cost of Compliance \$0

TOTAL \$0



# Compliance History

Customer/Respondent/Owner-Operator:	CN600630743	Forest Water Supply Corporation	Classification:	Rating:
Regulated Entity:	RN101183465	FOREST WSC	Classification:	Site Rating:
ID Number(s):	PUBLIC WATER SYSTEM/SUPPLY WATER LICENSING	REGISTRATION LICENSE		0370019 0370019
Location:	LOCATED 2.2 MI W OF US 69 ON N SIDE OF FM 1911 IN CHEROKEE CO.			
TCEQ Region:	REGION 05 - TYLER			
Date Compliance History Prepared:	March 27, 2007			
Agency Decision Requiring Compliance History:	Enforcement			
Compliance Period:	March 27, 2002 to March 27, 2007			
TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History				
Name:	Christopher Miller	Phone:	512-239-6580	

## Site Compliance History Components

- |  |     |
|--|-----|
| 1. Has the site been in existence and/or operation for the full five year compliance period? | Yes |
| 2. Has there been a (known) change in ownership of the site during the compliance period?    | No  |
| 3. If Yes, who is the current owner?   | N/A |
| 4. If Yes, who was/were the prior owner(s)?  | N/A |
| 5. When did the change(s) in ownership occur?  | N/A |

### Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

N/A

- B. Any criminal convictions of the state of Texas and the federal government.

N/A

- C. Chronic excessive emissions events.

N/A

- D. The approval dates of investigations. (CCEDS Inv. Track. No.)

1	03/20/2003	(26360)
2	03/17/2006	(540993)
3	05/19/2006	(542770)
4	07/06/2006	(542942)
5	07/20/2006	(542947)
6	10/13/2006	(515405)
7	11/10/2006	(542952)
8	01/02/2007	(542967)
9	01/30/2007	(542980)
10	03/21/2007	(553901)

- E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date: 03/17/2006 (540993)

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(4)

Description: Violated the maximum contaminant level for trihalomethanes during the fourth quarter of 2005.

Date: 05/19/2006 (542770)

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(4)

Description: Violated the maximum contaminant level for trihalomethanes during the first quarter of 2006.

Date: 07/06/2006 (542942)

Self Report? NO

Classification: Moderate

Citation:	30 TAC Chapter 290, SubChapter F 290.113(f)(5)		
Description:	Violated the maximum contaminant level for haloacetic acids during the second quarter of 2006.		
Date	07/20/2006	(542947)	
Self Report?	NO		Classification Moderate
Citation:	30 TAC Chapter 290, SubChapter F 290.113(f)(4)		
Description:	Violated the maximum contaminant level for trihalomethanes during the second quarter of 2006.		
Date	10/16/2006	(515405)	
Self Report?	NO		Classification Minor
Citation:	30 TAC Chapter 290, SubChapter D 290.41(c)(3)(K)		
Description:	Failure to provide a proper well casing vent.		
Self Report?	NO		Classification Minor
Citation:	30 TAC Chapter 290, SubChapter D 290.43(c)(1)		
Description:	Failure to provide adequate vent screens on all storage tanks.		
Self Report?	NO		Classification Minor
Citation:	30 TAC Chapter 290, SubChapter D 290.43(c)(8)		
Description:	Failure to maintain storage tanks in according with AWWA standards.		
Date	11/10/2006	(542952)	
Self Report?	NO		Classification Moderate
Citation:	30 TAC Chapter 290, SubChapter F 290.113(f)(5)		
Description:	Violated the maximum contaminant level for haloacetic acids during the third quarter of 2006.		
Date	01/02/2007	(542967)	
Self Report?	NO		Classification Moderate
Citation:	30 TAC Chapter 290, SubChapter F 290.113(f)(4)		
Description:	Violated the maximum contaminant level for trihalomethanes during the third quarter of 2006.		
Date	01/30/2007	(542980)	
Self Report?	NO		Classification Moderate
Citation:	30 TAC Chapter 290, SubChapter F 290.113(f)(4)		
Description:	Violated the maximum contaminant level for trihalomethanes during the fourth quarter of 2006.		

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
FOREST WATER SUPPLY  
CORPORATION  
RN101183465**

§ **BEFORE THE**  
§  
§ **TEXAS COMMISSION ON**  
§  
§  
§ **ENVIRONMENTAL QUALITY**

## **AGREED ORDER DOCKET NO. 2007-0482-PWS-E**

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Forest Water Supply Corporation ("Forest WSC") under the authority of TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, through the Enforcement Division, and Forest WSC presented this agreement to the Commission.

Forest WSC understands that it has certain procedural rights at certain points in the enforcement process, including, but not limited to, the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Agreed Order, Forest WSC agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated settlement of the parties. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this Agreed Order are binding upon Forest WSC.

The Commission makes the following Findings of Fact and Conclusions of Law:

### **I. FINDINGS OF FACT**

1. Forest WSC owns and operates a public water supply located 2.2 miles west of US Highway 69 on the north side of Farm-to-Market Road 1911, Cherokee County, Texas (the "Facility") that has



approximately 155 service connections and serves at least 25 people per day for at least 60 days per year.

2. During a record review conducted on January 7, 2007, TCEQ staff documented that Forest WSC exceeded the Maximum Contaminant Level ("MCL") for total trihalomethanes ("TTHM") of 0.080 milligrams per liter ("mg/L"), based on a running annual average during the fourth quarter of 2005 and the first, second, third and fourth quarters of 2006, when it reported TTHM levels of 0.082 mg/L, 0.100 mg/L, 0.147 mg/L, 0.151 mg/L and 0.126 mg/L, respectively.
3. During a record review conducted on January 7, 2007, TCEQ staff documented that Forest WSC exceeded the MCL for haloacetic acids ("HAA5") of 0.60 mg/L, based on a running annual average during the second and third quarters of 2006 when it reported HAA5 levels of 0.077 mg/L and 0.091 mg/L, respectively.
4. Forest WSC received notices of the violations on March 17, 2006, May 19, 2006, July 6, 2006, July 20, 2006, November 10, 2006, January 2, 2007 and January 30, 2007.

## II. CONCLUSIONS OF LAW

1. Forest WSC is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 341 and the rules of the Commission.
2. As evidenced by Findings of Fact No. 2, Forest WSC failed to comply with the MCL for TTHM during the fourth quarter of 2005 and the first, second, third and fourth quarters of 2006, in violation of 30 TEX. ADMIN. CODE § 290.113(f)(4) and TEX. HEALTH & SAFETY CODE § 341.0315(c).
3. As evidenced by Findings of Fact No. 3, Forest WSC failed to comply with the MCL for HAA5 during the second and third quarters of 2006, in violation of 30 TEX. ADMIN. CODE § 290.113(f)(5) and TEX. HEALTH & SAFETY CODE § 341.0315(c).
4. Pursuant to TEX. HEALTH & SAFETY CODE § 341.049, the Commission has the authority to assess an administrative penalty against Forest WSC for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.
5. An administrative penalty in the amount of One Thousand Two Hundred Fourteen Dollars (\$1,214) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. HEALTH & SAFETY CODE § 341.049(b). Forest WSC has paid the One Thousand Two Hundred Fourteen Dollar (\$1,214) administrative penalty.





### III. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. Forest WSC is assessed an administrative penalty in the amount of One Thousand Two Hundred Fourteen Dollars (\$1,214) as set forth in Section II, Paragraph 5 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and Forest WSC's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Forest Water Supply Corporation, Docket No. 2007-0482-PWS-E" to:

Financial Administration Division, Revenues Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

2. Forest WSC shall undertake the following technical requirements:
  - a. Within 365 days after the effective date of this Agreed Order, return to compliance with the running annual average MCL for TTHM and HAA5, as required by 30 TEX. ADMIN. CODE §§ 290.113.
  - b. Within 380 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."



The certification shall be submitted to:

Order Compliance Team  
Enforcement Division, MC 149A  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

with a copy to:

Manager, Water Section  
Tyler Regional Office  
Texas Commission on Environmental Quality  
2916 Teague Drive  
Tyler, Texas 75701-3756

3. The provisions of this Agreed Order shall apply to and be binding upon Forest WSC. Forest WSC is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
4. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by Forest WSC shall be made in writing to the Executive Director. Extensions are not effective until Forest WSC receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
5. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to Forest WSC if the Executive Director determines that Forest WSC has not complied with one or more of the terms or conditions in this Agreed Order.
6. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
7. This Agreed Order, issued by the Commission, shall not be admissible against Forest WSC in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
8. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.



9. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties. By law, the effective date of this Agreed Order is the third day after the mailing date, as provided by 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142.

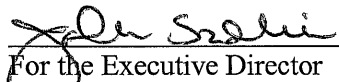




## SIGNATURE PAGE

### TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

  
For the Executive Director

8/29/07  
Date

I, the undersigned, have read and understand the attached Agreed Order in the matter of Forest Water Supply Corporation. I am authorized to agree to the attached Agreed Order on behalf of Forest Water Supply Corporation, and do agree to the specified terms and conditions. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I understand that by entering into this Agreed Order, Forest Water Supply Corporation waives certain procedural rights, including, but not limited to, the right to formal notice of violations addressed by this Agreed Order, notice of an evidentiary hearing, the right to an evidentiary hearing, and the right to appeal. I agree to the terms of the Agreed Order in lieu of an evidentiary hearing. This Agreed Order constitutes full and final adjudication by the Commission of the violations set forth in this Agreed Order.

I also understand that my failure to comply with the Ordering Provisions, if any, in this order and/or my failure to timely pay the penalty amount, may result in:

- A negative impact on my compliance history;
- Greater scrutiny of any permit applications submitted by me;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions against me;
- Automatic referral to the Attorney General's Office of any future enforcement actions against me; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

  
Signature

Kathy Oliver  
Name (Printed or typed)  
Authorized Representative of  
Forest Water Supply Corporation

May 29, 2007  
Date  
President  
Title

**Instructions:** Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.

May 24, 1907  
H. H. H.

Henry Oliver  
Henry Oliver